ESTTA Tracking number:

ESTTA258345 01/02/2009

Filing date:

# IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92050154
Party	Plaintiff Spirits International B.V. and S.P.I. Spirits (Cyprus) Limited
Correspondence Address	Marie A. Lavalleye, Esq. Covington & Burling LLP 1201 Pennsylvania Avenue, N.W. Washington, DC 20004 UNITED STATES mlavalleye@cov.com, bleverich@cov.com, hhamilton@cov.com, trademarks@cov.com
Submission	Motion for Summary Judgment
Filer's Name	Hope Hamilton
Filer's e-mail	trademarks@cov.com
Signature	/hopehamilton/
Date	01/02/2009
Attachments	92050154 Motion for SJ.pdf ( 2 pages )(16550 bytes ) 92050154 Memo of Law In Support of SJ.pdf ( 13 pages )(93697 bytes ) 92050154 Lavalleye Decl Final.pdf ( 43 pages )(1109087 bytes ) 92050154 Certificate of Service.pdf ( 1 page )(13957 bytes )

# IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

SPIRITS INTERNATIONAL B.V. ) (formerly Spirits International N.V.) and ) S.P.I. SPIRITS (CYPRUS) LIMITED )	
Petitioners, ) )	Cancellation No.: 92050154 Registration No. 3,345,092
v. ) ROUST TRADING LIMITED, )	
Respondent. )	

## <u>PETITIONERS' MOTION FOR SUMMARY JUDGMENT</u> AND FOR SUSPENSION OF FURTHER PROCEEDINGS

Petitioners Spirits International B.V. and S.P.I. Spirits (Cyprus) Limited hereby move, pursuant to Fed. R. Civ. P. 56 and Trademark Rule 2.116(a), 37 C.F.R. § 2.116(a), for summary judgment as to all of the claims asserted in their Petition For Cancellation of Respondent Roust Trading Limited's Reg. No. 3,345,092 for the word mark RUSSIAN STANDARD for vodka.

Petitioners seek summary judgment on the ground that Applicant is precluded from contesting any of the claims asserted in the Petition For Cancellation under the doctrine of res judicata (claim preclusion), based on the judgment entered against Respondent in Cancellation Proceeding No. 92047125.

As demonstrated in the accompanying Memorandum of Law, no genuine issue as to any material fact exists with respect to this motion. Petitioners, therefore, are entitled to judgment as a matter of law.

Petitioners further move, pursuant to Trademark Rule 2.127(d), for an order suspending all further proceedings not germane to this motion for summary judgment, pending final disposition of this motion.

In support of its motion, Petitioners submit the accompanying Memorandum Of Law, the Declaration of Marie A. Lavalleye, and the exhibits attached thereto.

No fees are submitted herewith. Should a fee be required, please charge such fee to the deposit account of Covington & Burling LLP, Account No. 03-3412.

January 2, 2009

Respectfully submitted,

Bingham B. Leverich

Marie A. Lavalleye

Hope Hamilton

**COVINGTON & BURLING LLP** 

1201 Pennsylvania Avenue, N.W.

Washington, D.C. 20004-2401

Telephone (202) 662-5188

Facsimile (202) 778-5188

e-mail: trademarks@cov.com

Attorneys for Petitioners

# IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

SPIRITS INTERNATIONAL B.V. ) (formerly Spirits International N.V.) and ) S.P.I. SPIRITS (CYPRUS) LIMITED )	
Petitioners, )	Cancellation No.: 92050154 Registration No. 3,345,092
<b>v.</b>	
ROUST TRADING LIMITED,	
Applicant. )	

# MEMORANDUM OF LAW IN SUPPORT OF PETITIONERS' MOTION FOR SUMMARY JUDGMENT AND FOR SUSPENSION OF FURTHER PROCEEDINGS

Petitioners Spirits International B.V. and S.P.I. Spirits (Cyprus) Limited have filed a Petition For Cancellation of Registration No. 3,345,092, owned by Roust Trading Limited ("Roust"), for the word mark RUSSIAN STANDARD for alcoholic beverages, namely, vodka (hereinafter referred to as Roust's RUSSIAN STANDARD Word Mark).

Petitioner S.P.I. Spirits (Cyprus) Limited imports vodka into the United States and distributes vodka in the United States through an authorized distributor, including vodka sold in the United States under the famous STOLICHNAYA trademark. Declaration of Marie A. Lavalleye ("Lavalleye Declaration") ¶ 4. Petitioner Spirits International B.V. is the owner of STOLICHNAYA trademarks for vodka in the United States. <u>Id.</u> Petitioners are sister companies owned by the same parent holding company (<u>Id.</u> ¶ 3) and are referred to jointly herein as "SPI."

SPI seeks summary judgment as to all three Counts of the Petition For Cancellation on the ground that Roust is precluded from contesting the claims asserted in all

three Counts under the doctrine of <u>res judicata</u> (claim preclusion), based on the judgment entered against Roust in Cancellation Proceeding No. 92047125.

### STATEMENT OF UNCONTESTED FACTS

# I. THE RELEVANT PROCEDURAL HISTORY ON WHICH THIS MOTION IS BASED

On February 20, 2007, SPI filed Petition For Cancellation No. 92047125, seeking cancellation of Roust's Registration No. 2,561,253 for the label mark depicted below for, <u>interalia</u>, vodka:



(hereinafter referred to as Roust's "First Label Mark"). A copy of the Petition For Cancellation is attached as Ex. A to the Lavalleye Declaration.<sup>1</sup>

As can readily be seen, Roust's First Label Mark includes prominent use of the term RUSSIAN STANDARD -- the same term that comprises Roust's RUSSIAN STANDARD Word Mark sought to be cancelled in this proceeding.

2

<sup>&</sup>lt;sup>1</sup> Exhibits A through F to the Lavalleye Declaration are hereinafter referred to, for the sake of brevity, simply as "Ex.", followed by the applicable letter (<u>e.g.</u>, Ex. A), without further reference to the Lavalleye Declaration to which they are attached as Exhibits.

On April 4, 2007, Roust filed its Answer in Cancellation No. 92047125, admitting some of the allegations of SPI's Petition, denying others, and asserting affirmative defenses. A copy of Roust's Answer to Petition For Cancellation is attached as Ex. B.

On April 25, 2008, in a different proceeding (Cancellation No. 92048163) initiated by a third party that also sought cancellation of the registration of Roust's First Label Mark, Roust filed a voluntary surrender of the registration pursuant to Section 7(e) of the Lanham Act, 15 U.S.C. § 1057(a), with the consent of the petitioner in that proceeding. This voluntary surrender was also filed by Roust in Cancellation No. 92047125, but without the consent of SPI, the petitioner in that proceeding. Lavalleye Declaration ¶ 7. Copies of Roust's Voluntary Surrender Of Registration For Cancellation With Consent and the Prosecution History Summary for Cancellation No. 92047125 are attached as Ex. C.

On May 1, 2008, the Trademark Trial and Appeal Board ("TTAB" or "the Board"), through its Interlocutory Attorney, filed an Order in Cancellation No. 92047125 (the proceeding in which SPI sought cancellation of Applicant's First Label Mark), stating:

Respondent [Roust], on April 25, 2008, filed a voluntary surrender under Section 7(e) of the Trademark Act of the subject registration of this Proceeding, Registration No. 2561253. However, the voluntary surrender was filed in Cancellation No. 92048163, a related Board proceeding also involving Registration No. 2561253.

Trademark Rule 2.134(a) provides that if the respondent in a cancellation proceeding applies to cancel its involved registration under Section 7(e) without the written consent of every adverse party to the proceeding, judgment shall be entered against respondent. In view thereof, respondent is allowed until THIRTY DAYS from the mailing date of this order to obtain the written consent of petitioner [SPI] to the voluntary surrender of Registration No. 2561253, failing which, judgment will be entered

against respondent, the petition to cancel is granted, and Registration No. 2561253 will be cancelled. (footnote omitted).<sup>2</sup>

A copy of the Board's May 1, 2008 Order is attached as Ex. D.

On May 28, 2008, the Commissioner for Trademarks entered an order cancelling Registration No. 2561253 for Roust's First Label Mark. A copy of the Commissioner's Order is attached as Ex. E.

On August 13, 2008, in view of Roust's failure to obtain SPI's written consent to Roust's voluntary surrender of its Registration No. 2561253 for Roust's First Label Mark, the Board issued an Order in Cancellation No. 92047125, entering judgment against Roust and in favor of SPI with respect to SPI's Petition For Cancellation of the registration of Roust's First Label Mark:

As the Board advised previously, Trademark Rule 2.134(a) provides that if the respondent in a cancellation proceeding applies to cancel its involved registration under Section 7(e) without the written consent of every adverse party to the proceeding, judgment shall be entered against respondent.

In view thereof, and because petitioner's written consent to the voluntary surrender is not of record, judgment is hereby entered against respondent [Roust], the petition to cancel is granted, and Registration No. 2561253 stands cancelled. (Emphasis added).

A copy of the Board's Order of August 13, 2008 is attached as Ex. F.

4

<sup>&</sup>lt;sup>2</sup> At Roust's request, the Board subsequently extended Roust's time for obtaining Opposer's consent to July 29, 2008.

# II. THE CLAIMS ASSERTED IN THIS CANCELLATION ARE IDENTICAL TO CLAIMS BY SPI AS TO WHICH JUDGMENT WAS ENTERED AGAINST ROUST IN CANCELLATION NO. 92047125.

### A. Count I Herein Is Identical To Count III Of Cancellation No. 92047125

Count I of SPI's Petition For Cancellation herein alleges that Roust's RUSSIAN STANDARD Word Mark for vodka is deceptive because it consists of the term RUSSIAN STANDARD and that the registration of Roust's RUSSIAN STANDARD Word Mark should be cancelled as deceptive under Section 2(a) of the Lanham Act.

Count III of SPI's Petition For Cancellation No. 92047125 alleged that Roust's First Label Mark for vodka is deceptive because it includes the term RUSSIAN STANDARD in English and in Russian (RUSSKY STANDART in Cyrillic letters) and that registration of Applicant's First Label Mark should be cancelled as deceptive under Section 2(a) of the Lanham Act. Ex. A, Count III.

The Allegations in Count I of this Cancellation with respect to the deceptive use of RUSSIAN STANDARD are identical to the allegations in Count III of Cancellation No. 92047125 with respect to the deceptive use of RUSSIAN STANDARD in Roust's First Label Mark. Compare Count I of this Cancellation with Ex. A, Count III.

On August 13, 2008, the TTAB entered judgment against Roust and in favor of SPI on the claim in Count III of Cancellation No. 92047125 that use of the term RUSSIAN STANDARD on a label mark for vodka is deceptive under Section 2(a) of the Lanham Act. Ex. F.

### B. Count II Herein Is Identical To Count VI Of Cancellation No. 92047125

Count II of SPI's Petition For Cancellation herein alleges that Roust's RUSSIAN STANDARD Word Mark for vodka is primarily geographically descriptive because the word RUSSIAN is geographic and the vodka sold under the mark originates in Russia, and that the

registration of Roust's RUSSIAN STANDARD Word Mark should be cancelled as primarily geographically descriptive under Section 2(e)(2) of the Lanham Act.

Count VI of SPI's Petition For Cancellation No. 92047125 alleged that Roust's First Label Mark for vodka was primarily geographically descriptive because the word RUSSIAN is geographic and the vodka sold under the mark originates in Russia, and that registration of Roust's First Label Mark should be cancelled as primarily geographically descriptive under Section 2(e)(2) of the Lanham Act. Ex. A, Count VI.

The allegations in Count II of this Cancellation with respect to the primarily geographically descriptive use of RUSSIAN in Roust's RUSSIAN STANDARD Word Mark for vodka originating in Russia are identical to the allegations in Count VI of Cancellation No.

92047125 with respect to the primarily geographically descriptive use of RUSSIAN in Roust's First Label Mark for vodka originating in Russia. Compare Count II of this Cancellation with Ex. A, Count VI.

On August 13, 2008, the TTAB entered judgment against Roust and in favor of SPI on the claim in Count VI of Cancellation No. 92047125 that use of RUSSIAN in a label mark for vodka originating in Russia is primarily geographically descriptive under Section 2(e)(2) of the Lanham Act. Ex. F.

### C. Count III Herein Is Identical To Count VII Of Cancellation No. 92047125

Count III of SPI's Petition For Cancellation herein alleges that the word STANDARD and the term RUSSIAN STANDARD in Roust's RUSSIAN STANDARD word mark for vodka are laudatory and merely descriptive of the vodka sold under the mark, that Roust made no claim that the word STANDARD or the phrase RUSSIAN STANDARD have become distinctive of its vodka, and that Registration of Roust's RUSSIAN STANDARD Word Mark should be cancelled for these reasons.

Count VII of SPI's Petition For Cancellation No. 92047125 alleged that the word STANDARD and the term RUSSIAN STANDARD in Roust's First Label Mark are laudatory and merely descriptive of the vodka sold under the mark, that Roust made no claim that the word STANDARD or the term RUSSIAN STANDARD have become distinctive of its vodka, and that Registration of Roust's First Label Mark should be cancelled for these reasons. Ex. A, Count VII.

The allegations in Count III of this Opposition with respect to the laudatory and merely descriptive use of STANDARD and RUSSIAN STANDARD in Roust's RUSSIAN STANDARD Word Mark are identical to the allegations in Count VII of Cancellation No. 92047125 with respect to the laudatory and merely descriptive use of STANDARD and RUSSIAN STANDARD in Roust's First Label Mark. Compare Count III of this Opposition with Ex. A, Count VII.

On August 13, 2008, the TTAB entered judgment against Roust and in favor of SPI on the claim in Count VII of Cancellation No. 92047125 that the word STANDARD and the phrase RUSSIAN STANDARD in Roust's Second Label mark are laudatory and merely descriptive of Roust's vodka and that Roust's Second Label Mark was therefore not entitled to registration. Ex. F.

### STANDARD OF REVIEW

"The purpose of [a summary judgment] motion is judicial economy, that is, to avoid an unnecessary trial where there is no genuine issue of material fact and more evidence than is already available in connection with the summary judgment motion could not reasonably be expected to change the result in the case." TBMP § 528.01 (citing Pure Gold, Inc. v. Syntex (U.S.A.), Inc., 739 F.2d 624, 222 U.S.P.Q. 741 (Fed. Cir. 1984)); see also Hawaiian Moon, Inc.

v. Rodney Doo, 2004 TTAB LEXIS 274 (TTAB Apr. 29, 2004). Indeed, "[t]he summary judgment procedure is regarded as 'a salutary method of disposition' and the Board does not hesitate to dispose of cases on summary judgment when appropriate." TBMP § 528.01 and cases cited therein.<sup>3</sup>

Although the movant bears the burden of demonstrating the absence of genuine issues of material fact,

[t]he moving party need not "produce evidence showing the absence of a genuine issue of material fact;" rather, "the burden on the moving party may be discharged by 'showing' - that is, pointing out to the district court - that there is an absence of evidence to support the nonmoving party's case."

<u>Avia Group</u>, 853 F.2d at 1560, 7 U.S.P.Q.2d at 1551 (quoting <u>Celotex Corp. v. Catrell</u>, 477 U.S. 317, 325 (1986)).

### **ARGUMENT**

Counts I through III of the Petition For Cancellation herein assert three independent reasons why registration of Roust's RUSSIAN STANDARD Word Mark should be refused, any one of which provides a sufficient basis for cancelling Registration No. 3,345,092. Roust is precluded by the doctrine of res judicata (claim preclusion) from contesting the claims asserted in each of the three Counts, based on the judgment entered against Roust and in favor of SPI in Cancellation No. 92047125. Ex. F.

1548 (Fed. Cir. 1988).

8

<sup>&</sup>lt;sup>3</sup> <u>See also Keebler Co. v. Murray Bakery Prods.</u>, 866 F.2d 1386, 9 U.S.P.Q.2d 1736 (Fed. Cir. 1989); <u>Jewelers Vigilance Comm.</u>, <u>Inc. v. Ullenberg Corp.</u>, 853 F.2d 888, 7 U.S.P.Q.2d 1628 (Fed. Cir. 1988); <u>Avia Group Int'l</u>, <u>Inc. v. L.A. Gear Cal.</u>, <u>Inc.</u>, 853 F.2d 1557, 7 U.S.P.Q.2d

# I. SPI IS ENTITLED TO SUMMARY JUDGMENT UNDER THE DOCTRINE OF RES JUDICATA OR CLAIM PRECLUSION.

Under the doctrine of <u>res judicata</u>, or claim preclusion, "a judgment on the merits in a prior suit bars a second suit involving the same parties or their privies based on the same cause of action." <u>Parklane Hosiery Co. v. Shore</u>, 439 U.S. 322, 326 n. 5 (1979). The doctrine "prevents litigation of all grounds for, <u>or defenses to</u>, recovery that were previously available to the parties, regardless of whether they were asserted or determined in the prior proceedings." <u>Brown v. Felsen</u>, 442 U.S. 127, 131 (1979) (emphasis added).

It is thus clear that the doctrine applies not only to preclude affirmative claims that were, or could have been, asserted in prior litigation between the parties, but also to preclude defenses that, as in the present case, were or could have been asserted by the defendant in prior litigation between the parties on the same cause of action. See also Cromwell v. County of Sac, 94 U.S. 351, 352 (1877) (A final judgment is "a finality as to the claim or demand in controversy ... not only as to every matter which was offered and received to sustain or defeat the claim or demand, but as to any other admissible matter which might have been offered for that purpose.") (emphasis added); Nevada v. United States, 463 U.S. 110, 129-30 (1983) (same); Edmundson v. Borough of Kennett Square, 4 F.3d 186, 191 (3d Cir. 1993) (A "final determination by a court of competent jurisdiction settles not only the defenses actually raised, but also those which might have been raised").

It is also clear that the doctrine is applied by the TTAB to preclude claims and defenses that were, or could have been, asserted in a prior TTAB proceeding between the same parties. "Res judicata is a judicially created doctrine . . . . which the TTAB has repeatedly adopted as governing its proceedings." <u>Vitaline Corp. v. General Mills, Inc.</u>, 891 F.2d 273, 274-75 (Fed. Cir. 1989) (affirming summary judgment on grounds of claim preclusion based on a

defense and counterclaim that could have been, but were not, asserted by the respondent in a prior TTAB cancellation proceeding).

Nor is there any doubt that a judgment entered by the TTAB based on a respondent's surrender of a registration without the consent of an opposing party, as in this case, constitutes a judgment on the merits for purposes of claim preclusion in a subsequent TTAB proceeding between the same parties. See, e.g., Miller Brewing Co. v. Coy Int'l Corp., 230 U.S.P.Q. 675, 678 (TTAB 1986) (judgment in first opposition, as a result of surrender of an application without consent, operates as claim preclusion in a subsequent opposition); Johnson & Johnson v. Bio-Medical Sciences, Inc., 179 U.S.P.Q. 765, 766 (TTAB 1973) (respondent in cancellation proceeding barred from filing counterclaims on ground that it had filed the same counterclaims in a prior proceeding in which it had subsequently surrendered the applications in issue without the consent of the opposing party).

The traditional test for determining whether claim preclusion applies in a given case is well established. As stated by the Federal Circuit in <u>Jet, Inc. v. Sewage Aeration</u>

<u>Systems</u>, 223 F.3d 1360, 1362 (Fed. Cir. 2000):

[A] second suit will be barred by claim preclusion if: (1) there is identity of parties (or their privies); (2) there has been an earlier final judgment on the merits of a claim; and (3) the second claim is based on the same set of transactional facts as the first.

In the present case, the parties are the same as in Cancellation No. 92047125, and a final judgment has been entered on the merits of the claims asserted by SPI there. Ex. F. It is also clear that the third requirement for claim preclusion -- that the second claim is based on the same set of transactional facts as the first -- is also met here. In <u>Jet</u>, the Federal Circuit described as follows how the "same set of transactional facts" requirement is to be applied:

The Restatement notes that a common set of transactional facts is to be identified "pragmatically . . . ." Seeking to bring additional

clarity to this standard, courts have defined "transaction" in terms of a "core of operative facts," the "same operative facts," or the "same nucleus of operative facts," and "based on the same, or nearly the same, factual allegations."

Id. at 1363 (citations omitted).

The facts alleged in Counts I through III of the Petition For Cancellation herein with respect to the term RUSSIAN STANDARD, the word RUSSIAN, and the word STANDARD are identical to the facts alleged in Counts III, VI and VII of Cancellation No. 92047125. See pp. 4-7, infra. Accordingly, the claims asserted in this Cancellation and the claims asserted in those counts of Cancellation No. 92047125 are clearly based on the same operative facts.

All three requirements of the traditional test for claim preclusion are thus met in this case.

# II. SPI IS ENTITLED TO SUMMARY JUDGMENT UNDER THE RULES OF DEFENDANT PRECLUSION.

Earlier this year, in <u>Nasalok Coating Corp. v. Nylok Corp.</u>, 522 F.3d 1320, 1324 (Fed. Cir. 2008), the Federal Circuit announced the concept of "defendant preclusion" as a subset of claim preclusion and held that where, as here, claim preclusion is invoked against a defendant in the prior action, the traditional requirements of claim preclusion (discussed above) must be supplemented with additional rules of "defendant preclusion":

The test used in <u>Jet</u> cannot be used as the exclusive test for claim preclusion against a defendant in the first action. In such circumstances, the somewhat different rules of "defendant preclusion" apply.

The Court then defined the rules of "defendant preclusion" as follows:

A defendant is precluded only if (1) the claim or defense asserted in the second action was a compulsory counterclaim that the defendant failed to assert in the first action, or (2) the claim or defense represents what is essentially a collateral attack on the first judgment.

<u>Id.</u>

While it is unlikely that any defense Roust might assert in this proceeding would constitute a compulsory counterclaim that Roust failed to assert in Cancellation No. 92047125, it is clear that any defense Roust might assert here would constitute a collateral attack on the judgment entered against Roust in Cancellation No. 92047125. In Nasalok, the Federal Circuit held that "the second basis for applying claim preclusion against defendants" was applicable in that case, because failure to apply claim preclusion "would effectively undo the relief granted by the district court in the infringement action." Id. at 1328. The same is true here. In Nasalok, moreover, the Court defined the test for determining whether "the effect of the later action is to collaterally attack the judgment of the first action," as follows:

When a former defendant attempts to undermine a previous judgment by asserting in a subsequent action a claim or defense that was or could have been asserted in the earlier case, the rules of defendant preclusion will apply.

Id.

In view of the fact that the allegations of Counts I through III of this Cancellation are identical to the allegations of Counts III, VI and VII of Cancellation No. 92047125, it follows that any defense Roust might assert here would be, by definition, a "defense that was or could have been asserted in the earlier case." <u>Id.</u> Accordingly, it is clear that the second basis for applying "defendant preclusion" is applicable here.

SPI is thus entitled to judgment under both the traditional test for claim preclusion and the new rules of "defendant preclusion."

# III. FURTHER PROCEEDINGS SHOULD BE SUSPENDED PENDING DISPOSITION OF THE MOTION FOR SUMMARY JUDGMENT.

Trademark Rule 2.127(d) provides that "[w]hen any party files ... a motion for summary judgment, or any other motion which is potentially dispositive of a proceeding, the case will be suspended by the Trademark Trial and Appeal Board with respect to all matters not germane to the motion and no party should file any paper which is not germane to the motion." 37 C.F.R. § 2.127(d) (emphasis added). SPI's motion for summary judgment, if granted, will be dispositive of this proceeding. Suspension, therefore, is appropriate in accordance with Trademark Rule 2.127(d).

### **CONCLUSION**

Petitioners respectfully request that their motion for summary judgment be granted, that the Board cancel Registration No. 3,345,092, and that the Board suspend this proceeding pending disposition of this motion.

January 2, 2009

Respectfully submitted,

\_\_\_\_\_

Bingham B. Leverich Marie A. Lavalleye Hope Hamilton COVINGTON & BURLING LLP 1201 Pennsylvania Avenue, N.W. Washington, D.C. 20004-2401 Telephone (202) 662-5188

Facsimile (202) 662-5188

e-mail: trademarks@cov.com

Attorneys for Petitioners

# IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

	NATIONAL B.V. (formerly nal N.V.) and S.P.I. SPIRITS	
<b>v.</b>	Petitioners,	 ation No.: 92050154 ation No. 3,345,092
ROUST TRADIN	G LIMITED,	
	Respondent.	

### **DECLARATION OF MARIE A. LAVALLEYE**

- I, Marie A. Lavalleye, submit this declaration pursuant to 28 U.S.C. § 1746.
- 1. I am an attorney with the law firm of Covington & Burling LLP, counsel for Petitioners Spirits International B.V. and S.P.I. Spirits (Cyprus) Limited (jointly referred to herein as "SPI") in the above-captioned matter.
- 2. I am familiar with the facts set forth in this declaration and could, if called as a witness, testify competently with regard to them.
- 3. Petitioners are sister companies owned by the same parent holding company.
- 4. Petitioner S.P.I. Spirits (Cyprus) Limited imports vodka into the United States through an authorized distributor, including vodka sold in the United States under the

famous STOLICHNAYA trademark. Petitioner Spirits International B.V. is the owner of STOLICHNAYA trademarks for vodka in the United States.

- 5. Attached to this Declaration as Exhibit A is a true and accurate copy of the Petition For Cancellation filed by SPI in Cancellation No. 92047125, seeking cancellation of Registration No. 2561253, then owned by Applicant herein, Roust Trading Limited ("Roust").
- 6. Attached to this Declaration as Exhibit B is a true and accurate copy of Roust's Answer To Petition For Cancellation filed in Cancellation No. 92047125.
- 7. Attached to this Declaration as Exhibit C is a true and accurate copy of Roust's Voluntary Surrender Of Registration For Cancellation With Consent, filed by Roust in Cancellation No. 92048163. This Voluntary Surrender was also filed by Roust in Cancellation No. 92047125, without the consent of petitioner SPI. A true and correct copy of the Prosecution History Summary for Cancellation No. 92047125 is also attached as Exhibit C.
- 8. Attached to this Declaration as Exhibit D is a true and accurate copy of an Order entered by the Trademark Trial and Appeal Board ("TTAB") on May 1, 2008 in Cancellation No. 92047125.
- 9. Attached to this Declaration as Exhibit E is a true and accurate copy of an Order entered by the Commissioner for Trademarks on May 28, 2008, cancelling Roust's Registration No. 2561253.
- 10. Attached to this Declaration as Exhibit F is a true and accurate copy of an Order entered by the TTAB on August 13, 2008, entering judgment against Roust in Cancellation No. 92047125.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct to the best of my knowledge and belief.

Executed on December 27, 2008 in Washington, D.C.

Marie A. Lavalleve

# EXHIBIT A

ESTTA Tracking number:

ESTTA125734

Filing date:

02/20/2007

# IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

### **Petition for Cancellation**

Notice is hereby given that the following parties request to cancel indicated registration.

# **Petitioner Information**

Name	Spirits International N.V	Spirits International N.V.		
Entity	Corporation	Citizenship	Netherlands	
Address	5, rue Eugene Ruppert Luxembourg, LA L-245 LUXEMBOURG	3		
Name	S.P.I. Spirits (Cyprus) L	S.P.I. Spirits (Cyprus) Limited		
Entity	Corporation	Citizenship	Cyprus	
Address	249, 28th October Stree Limassol, 3035 CYPRUS			

Domestic Representative	Marie A. Lavalleye Covington & Drling LLP 1201 Pennsylvania Avenue, N.W. Washington, DC 20004 UNITED STATES
	trademarks@cov.com Phone:202-662-5439

# Registration Subject to Cancellation

Registration No	2561253	Registration date	04/16/2002
Registrant	Roust Trading Limited Milner House 18 Parliament Street Hamilton HM12, BERMUDA		
Goods/Services Subject to Cancellation	Class 033. First Use: 2000/04/29, First Use In Commerce: 2000/04/29 Goods/Services: ALCOHOLIC BEVERAGES, NAMELY, VODKA, RUM, GIN, BRANDY, WINE, AND LIQUEUR		

Attachments	Petition for Cancellation for Reg No. 2561253.pdf ( 12 pages )(376872 bytes )
Signature	/Marie A. Lavalleye/
Name	Marie A. Lavalleye
Date	02/20/2007

# IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

SPIRITS INTERNATIONAL N.V. and S.P.I. SPIRITS (CYPRUS) LIMITED	) ) ) )
Petitioners,	)
v.	) Cancellation No.:
ROUST TRADING LIMITED,	)
Respondent.	) ) )

### PETITION FOR CANCELLATION

Spirits International N.V., a Netherlands company having its principal place of business in Luxembourg, and S.P.I. Spirits (Cyprus) Limited, a Cypriot company having its registered office in Limassol, Cyprus, jointly referred to herein as "Petitioners", believe that they are, and will be, damaged by the continued registration of Registration No. 2,561,253, and hereby petition to cancel said registration pursuant to Section 14 of the Trademark Act of 1946, 15 U.S.C. § 1064 et seq., as amended.

Petitioner S.P.I. Spirits (Cyprus) Limited imports vodka into the United States, including vodka sold in the United States under the famous STOLICHNAYA trademark.

Petitioner Spirits International N.V. owns reversionary rights in the STOLICHNAYA trademark in the United States. Petitioners are sister companies owned by the same parent holding company.

Registration No. 2,561,253 is a registration on the Principal Register for a label mark, depicted below, that includes the words/characters 1894, RUSSKY STANDART (in Cyrillic letters), ORIGINAL VODKA, RUSSIAN STANDARD, and the purported signature of Dmitri Mendeleev (the "Label Mark"):



The United States Patent and Trademark Office ("USPTO") issued the registration on April 16, 2002 to Respondent Roust Trading Limited ("Respondent"), a Bermuda corporation, with a last known address of 31 Church Street, Hamilton, Bermuda. The terms 1894, ORIGINAL VODKA and RUSSIAN have been disclaimed. The registration covers "alcoholic beverages, namely, vodka, rum, gin, brandy, wine and liqueur" in Class 33.

As grounds for this petition, Petitioners allege:

### **COUNT I**

# Reg. No. 2,561,253 Was Procured Based On Material, False and Misleading Representations Of Fact And Should Be Cancelled Based On Fraud.

1. Respondent filed its application for registration of the Label Mark for "alcoholic beverages" on June 15, 2000. Respondent filed the application under Section 1(a),

claiming first use in commerce of the Label Mark in connection with "alcoholic beverages" at least as early as April 29, 2000.

- 2. In its application, made under oath, Respondent claimed that "Applicant has adopted and *is using* the mark shown in the accompanying drawing ... *in commerce* ... in connection with the following goods in Class 33: 'ALCOHOLIC BEVERAGES'". (emphasis added)
- 3. In its application, made under oath, Respondent also claimed that the Label Mark "was first used in connection with the recited goods at least as early as April 29, 2000; was first used in connection with the goods in foreign commerce between the United States and Bermuda at least as early as April 29, 2000; and is now in use in such commerce." (emphasis added)
- 4. In its application, made under oath, Respondent also claimed that the Label Mark "is used by applying it to labels and/or packaging for the goods, and in other ways customary to the trade, and three specimens showing [the Label Mark] as currently used are presented herewith." (emphasis added)
- 5. On June 21, 2001, in response to an Office Action issued by the USPTO on December 21, 2000, Respondent, through its counsel, amended the identification of goods in its application from "alcoholic beverages" to "alcoholic beverages, namely, vodka, rum, gin, brandy, wine and liqueur". As a result of said amendment, the claims asserted by Respondent in its application, including the claims as to use of the Label Mark in commerce quoted in paragraphs 1-4 above, were thereby asserted as to use on and in connection with vodka, rum, gin, brandy, wine and liqueur. By virtue of said amendment, Respondent claimed that it was using the Label Mark in commerce in connection with vodka, rum, gin, brandy, wine and liqueur at the

time it filed its application on June 15, 2000 and at the time it filed the amendment on June 21, 2001.

- 6. On information and belief, the claims asserted in the application that are referred to in paragraphs 1-5 above were false and/or misleading at the time the application was filed on June 15, 2000, and were known by Respondent to be false and/or misleading at the time.
- 7. On information and belief, at the time the application was filed on June 15, 2000, Respondent was not using, and knew that it was not using, the Label Mark in commerce on or in connection with rum, gin, brandy, wine or liqueur, and Respondent had not used, and knew that it had not used, the Label Mark in commerce on or in connection with rum, gin, brandy, wine or liqueur at least as early as April 29, 2000.
- 8. On information and belief, at the time the application was filed on June 15, 2000, Respondent was not using, and knew that it was not using, the Label Mark in commerce on or in connection with vodka, and Respondent had not used, and knew that it had not used, the Label Mark in commerce on or in connection with vodka at least as early as April 29, 2000.
- 9. On information and belief, the claims asserted in the application that are referred to in paragraphs 1-5 above, were false and/or misleading at the time the June 21, 2001 amendment was filed and were known by Respondent to be false and/or misleading at the time.
- 10. On information and belief, Respondent was not using, and knew that it was not using, the Label Mark in commerce on or in connection with rum, gin, brandy, wine or liqueur at the time the amendment was filed on June 21, 2001.

- 11. On information and belief, Respondent was not using, and knew that it was not using, the Label Mark in commerce on or in connection with vodka at the time the amendment was filed on June 21, 2001.
- 12. In reliance on the foregoing false, misleading and material representations by Respondent in its application and in the aforesaid amendment made by Respondent thereto, the USPTO on April 16, 2002 granted Respondent a registration on the Principal Register, Reg. No. 2,561,253, for the Label Mark for "alcoholic beverages, namely, vodka, rum, gin, brandy, wine and liqueur."

### **COUNT II**

## The Label Mark Is Deceptive As Applied To Rum, Gin, Brandy, Wine and Liqueur.

- 13. The Label Mark, as registered, includes the word VODKA in large, prominent print.
- 14. Reg. No. 2,561,253, however, covers not only vodka, but also rum, gin, brandy, wine and liqueur.
- 15. Therefore, insofar as it is registered for rum, gin, brandy, wine and liqueur, the Label Mark is deceptive within the meaning of Section 2(a) of the Lanham Act in that consumers will believe that bottles bearing Respondent's Label Mark contain vodka, whereas, according to Reg. No. 2,561,253, bottles bearing the Label Mark may contain rum, gin, brandy, wine or liqueur.
- 16. The deception is material, because it is likely to cause consumers, intending to purchase vodka, as stated on the Label Mark, to purchase Respondent's rum, gin, brandy, wine or liqueur products that they otherwise would not have purchased. The deception

is damaging to Respondent's competitors, including Petitioners, whose sales of vodka in the United States would be affected by use of the Label Mark for rum, gin, brandy, wine and liqueur.

#### **COUNT III**

### The Label Mark Is Deceptive Because It Includes "Russian Standard".

- 17. The Russian Federation promulgates extensive official "standards" for alcoholic beverages, including vodka, that must be met by all Russian producers of alcoholic products. "Russian Standard" is therefore a term that is used and would be understood to refer to a product that meets the official "standard" for a particular alcoholic beverage.
- 18. The prominent use of the phrase RUSSIAN STANDARD in English and in Russian (RUSSKY STANDART in Cyrillic letters) in Respondent's registered Label Mark is deceptive within the meaning of Section 2(a) of the Lanham Act in that consumers are likely to believe, erroneously, that Respondent's RUSSIAN STANDARD vodka is the only Russian vodka that meets a particular "standard", including the official "standard" for Russian vodka promulgated by the Russian Federation, or that it is the standard for all Russian vodka.
- 19. The deception causing consumers to have such an erroneous belief is material, because it is likely to cause consumers to purchase vodka sold under Respondent's Label Mark in preference to competing Russian vodkas, including Petitioners' competing Russian vodka, in the mistaken belief that competing Russian vodkas that do not bear a RUSSIAN STANDARD mark or the phrase RUSSIAN STANDARD do not meet such standards.
- 20. Petitioners' STOLICHNAYA brand Russian vodka is sold in the United States, meets all of the requirements for Russian vodka promulgated by the Russian Federation, and qualifies as a "Russian Standard" vodka.

21. Petitioners thus will be damaged if Respondent, by virtue of Reg. No. 2,561,253, is allowed to sell vodka under a mark that includes the phrase RUSSIAN STANDARD, to the exclusion of Petitioners, even though Petitioners' Russian vodka meets every applicable Russian standard.

### **COUNT IV**

## The Label Mark Is Deceptive Because It Includes The Year "1894".

- 22. The Label Mark is deceptive within the meaning of Section 2(a) of the Lanham Act because the prominent inclusion of the year 1894 in the Label Mark is likely to cause consumers to believe, erroneously, that vodka has been sold under the Label Mark since 1894 and that the vodka currently being sold under the Label Mark is of the same formula and quality as vodka purportedly sold under the Label Mark in 1894. In fact, on information and belief, vodka has not ever been sold under the Label Mark anywhere in the world prior to 1998.
- 23. The deception causing consumers to have such an erroneous belief is material, because it is likely to cause consumers to purchase vodka sold under Respondent's Label Mark in preference to competing Russian vodkas, including Petitioners' competing Russian vodka.
- 24. Petitioners thus will be damaged if Respondent, by virtue of Reg. No. 2,561,253, is allowed to sell vodka under a mark that misleadingly includes the date 1894 as shown in Respondent's Label Mark.

#### **COUNT V**

The Label Mark Is Deceptive Because It Includes The Signature Of Dmitri Mendeleev.

- 25. Dmitri Mendeleev was a Russian chemist who identified a ratio of water to alcohol for vodka and who, according to Respondent's marketing materials, "created the standard of vodka."
- Although many American consumers may not be familiar with Dmitri Mendeleev, the prominent inclusion of the purported signature of Dmitri Mendeleev in the Label Mark is deceptive within the meaning of Section 2(a) of the Lanham Act, because it is likely to cause consumers to believe that Dmitri Mendeleev is or was a well known Russian connoisseur and/or producer of Russian vodka and/or to believe, erroneously, that he has endorsed or sponsored the vodka sold under the Label Mark or that he is, or is affiliated or associated with, the producer of vodka sold under the Label Mark. In fact, however, Dmitri Mendeleev has not endorsed or sponsored vodka sold under the Label Mark and has no connection with the producer of vodka sold under the Label Mark.
- 27. The deception causing consumers to have such an erroneous belief is material, because it is likely to cause consumers to purchase vodka sold under Respondent's Label Mark in preference to competing Russian vodkas, including Petitioners' competing Russian vodka.
- 28. Petitioners thus will be damaged if Respondent, by virtue of Reg. No. 2,561,253, is allowed to sell vodka under a mark that misleadingly includes the purported signature of Dmitri Mendeleev.

### **COUNT VI**

### The Label Mark Is Primarily Geographically Descriptive.

- 29. Respondent's Label Mark is primarily geographically descriptive of Respondent's goods within the meaning of Section 2(e)(2) of the Lanham Act and therefore is not entitled to registration on the Principal Register.
- 30. The primary significance of the term RUSSIAN (a derivative of "Russia", a generally known geographic location) is geographic. Indeed, Respondent admitted this fact when it disclaimed exclusive rights to the term RUSSIAN in Reg. No. 2,561,253.
- 31. Respondent also admitted during the examination phase of the Label Mark application that the goods identified in Reg. No. 2,561,253 originate in Russia.
- 32. Russia is generally known by U.S. consumers as a country that produces vodka, and vodka is closely associated with Russia in the minds of consumers.
- 33. In addition to the prominent use of the word RUSSIAN, other aspects of the Label Mark support the conclusion that it is primarily geographically descriptive, including the use of Cyrillic lettering, the words ORIGINAL VODKA, and the purported signature of Dmitri Mendeleev.
- 34. For all these reasons, consumers who encounter the Label Mark are likely to believe, correctly, that the vodka sold under the Label Mark originates in Russia. The Label Mark is therefore primarily geographically descriptive and, as such, is not entitled to registration on the Principal Register.
- 35. Petitioners are, and will continue to be, damaged by the continued subsistence of Respondent's Reg. No. 2,561,253, because Reg. No. 2,561,253 falsely suggests

that the Label Mark is inherently distinctive as applied to Respondent's goods and improperly grants Respondent exclusive rights to a mark that is primarily geographically descriptive.

#### **COUNT VII**

# The Word STANDARD And The Phrase RUSSIAN STANDARD Are Both Laudatory And Merely Descriptive Of Respondent's Goods.

- 36. In Reg. No. 2,561,253, Respondent did not disclaim exclusive rights to the use of the word STANDARD or to the phrase RUSSIAN STANDARD, as a whole. Nor did Respondent claim that the word STANDARD and/or the phrase RUSSIAN STANDARD have become distinctive of its goods.
- 37. Both STANDARD and RUSSIAN STANDARD, as applied to the goods covered by Reg. No. 2,561,253, are laudatory and descriptive of such goods. Accordingly, Respondent should have disclaimed the word STANDARD and the phrase RUSSIAN STANDARD, as a whole, absent a showing that the word and the phrase have become distinctive of Respondent's goods.
- 38. STANDARD and RUSSIAN STANDARD, as applied to the goods covered by Reg. No. 2,561,253, are both laudatory in that each conveys to consumers that the products sold under that wording meet a certain standard, are the standard, or otherwise set the standard for vodka, rum, gin, brandy, wine and liqueur products originating in Russia. Both, therefore, immediately impart a laudatory claim of superiority.
- 39. STANDARD and RUSSIAN STANDARD, as applied to Respondent's goods, also are descriptive of such goods in that they serve to inform consumers that Respondent's goods conform to standards applicable to alcoholic beverages originating from Russia, including the official standards specifically promulgated by the Russian Federation for alcoholic beverages of the type identified in Reg. No. 2,561,253 that are produced in Russia.

- 40. Petitioners have an equal right to use the phrase "Russian Standard" and the word "Standard" on or in connection with Petitioners' vodka products to inform consumers that its vodka products conform to applicable standards, including the Russian Government's standards for vodka products originating in Russia.
- 41. Accordingly, Petitioners are, and will continue to be, damaged by the continued subsistence of Respondent's Reg. No. 2,561,253, because Reg. No. 2,561,253 falsely suggests that the word STANDARD and the phrase RUSSIAN STANDARD are inherently distinctive as applied to Respondent's goods and improperly grants Respondent exclusive rights over the use of such descriptive and laudatory wording.

\* \* \* \*

- 42. Respondent currently sells vodka in the United States. Respondent competes with Petitioners for sales of vodka in the United States. Petitioners and Respondent are competitors for the sale of vodka in the United States.
- 43. As competitors of Respondent for the sale of vodka in the United States, Petitioners believe that they are, and will continue to be, damaged by the continued registration of Reg. No. 2,561,253.
- 44. Accordingly, Petitioners respectfully request that the Board cancel Reg. No. 2,561,253.
- 45. In the alternative, as to Count VII only, Petitioners respectfully request that the Board cause Reg. No. 2,561,253 to be amended to include a disclaimer of the word STANDARD and the phrase RUSSIAN STANDARD as a whole.

WHEREFORE, Petitioners pray that this Petition for Cancellation be granted and that Registration No. 2,561,253 be cancelled. The USPTO is hereby authorized to charge any fees which may be required, or credit any overpayment, to Account No. 03-3412.

Respectfully submitted,

Bingham B. Leverich

Neil K. Roman

Marie A. Lavalleye

COVINGTON & BURLING LLP

1201 Pennsylvania Avenue, NW Washington, D.C. 20004-2401

Telephone (202) 662-5188

Facsimile (202) 778-5188

e-mail: trademarks@cov.com

February 20, 2007

# **EXHIBIT B**

Trademark Trial and Appeal Board Electronic Filing System. <a href="http://estta.uspto.gov">http://estta.uspto.gov</a>

ESTTA Tracking number:

ESTTA133697

Filing date:

04/04/2007

# IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92047125
Party	Defendant Roust Trading Limited Roust Trading Limited Milner House 18 Parliament Street Hamilton HM12, BM
Correspondence Address	Howard J Shire Kenyon & Samp; Kenyon One Broadway New York, NY 10004 UNITED STATES
Submission	Answer
Filer's Name	Wendy L. Brasunas
Filer's e-mail	wlbrasunas@jonesday.com, tfraelich@jonesday.com, pcyngier@jonesday.com
Signature	/Wendy L. Brasunas/
Date	04/04/2007
Attachments	Answer to Cancellation 92047125.pdf ( 7 pages )(321610 bytes )

# IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

SPIRITS INTERNATIONAL N.V. and S.P.I. SPIRITS (CYPRUS) LIMITED,

Petitioners,

v.

ROUST TRADING LIMITED,

Respondent.

Cancellation No. 9,204,7125 Registration No. 2,561,253

### **ANSWER TO PETITION FOR CANCELLATION**

Respondent, Roust Trading Limited ("Roust"), by and through counsel, and for its answer, states as follows:

- Roust generally denies the allegations of the first two unnumbered paragraphs preceding Paragraph 1 of the Petition for Cancellation for lack of information sufficient to form a belief as to the truth or falsity thereof.
- Roust admits the allegations of the last two unnumbered paragraphs preceding Paragraph
   of the Petition for Cancellation.
- 3. Roust admits the allegations of Paragraph 1 of the Petition for Cancellation.
- 4. Roust admits the allegations of Paragraph 2 of the Petition for Cancellation.
- 5. Roust admits the allegations of Paragraph 3 of the Petition for Cancellation.
- 6. Roust denies the allegations of Paragraph 4 of the Petition for Cancellation.
- 7. Roust admits the allegations of Paragraph 5 of the Petition for Cancellation.
- 8. Roust denies the allegations of Paragraph 6 of the Petition for Cancellation.

- 9. Roust admits the allegations of Paragraph 7 of the Petition for Cancellation.
- 10. Roust denies the allegations of Paragraph 8 of the Petition for Cancellation.
- 11. Roust denies the allegations of Paragraph 9 of the Petition for Cancellation.
- 12. Roust admits the allegations of Paragraph 10 of the Petition for Cancellation.
- 13. Roust denies the allegations of Paragraph 11 of the Petition for Cancellation.
- 14. Roust denies the allegations of Paragraph 12 of the Petition for Cancellation.
- 15. Roust admits the allegations of Paragraph 13 of the Petition for Cancellation.
- 16. Roust admits the allegations of Paragraph 14 of the Petition for Cancellation.
- 17. The allegations of Paragraph 15 of the Petition for Cancellation consist entirely of legal conclusions to which no admission or denial is required. To the extent a response is required, Roust denies the allegations of Paragraph 15 of the Petition for Cancellation.
- 18. The allegations of Paragraph 16 of the Petition for Cancellation consist entirely of legal conclusions to which no admission or denial is required. To the extent a response is required, Roust denies the allegations of Paragraph 16 of the Petition for Cancellation
- 19. Roust denies the allegations of Paragraph 17 of the Petition for Cancellation for lack of information sufficient to form a belief as to the truth or falsity thereof.
- 20. The allegations of Paragraph 18 of the Petition for Cancellation consist entirely of legal conclusions to which no admission or denial is required. To the extent a response is required, Roust denies the allegations of Paragraph 18 of the Petition for Cancellation.

- 21. The allegations of Paragraph 19 of the Petition for Cancellation consist entirely of legal conclusions to which no admission or denial is required. To the extent a response is required, Roust denies the allegations of Paragraph 19 of the Petition for Cancellation.
- 22. Roust denies the allegations of Paragraph 20 of the Petition for Cancellation for lack of information sufficient to form a belief as to the truth or falsity thereof.
- 23. Roust denies the allegations of Paragraph 21 of the Petition for Cancellation.
- 24. The allegations of Paragraph 22 of the Petition for Cancellation consist entirely of legal conclusions to which no admission or denial is required. To the extent a response is required, Roust denies the allegations of Paragraph 22 of the Petition for Cancellation.
- 25. The allegations of Paragraph 23 of the Petition for Cancellation consist entirely of legal conclusions to which no admission or denial is required. To the extent a response is required, Roust denies the allegations of Paragraph 23 of the Petition for Cancellation.
- 26. Roust denies the allegations of Paragraph 24 of the Petition for Cancellation.
- 27. Roust admits the allegations of Paragraph 25 of the Petition for Cancellation.
- 28. The allegations of Paragraph 26 of the Petition for Cancellation consist entirely of legal conclusions to which no admission or denial is required. To the extent a response is required, Roust denies the allegations of Paragraph 26 of the Petition for Cancellation.
- 29. The allegations of Paragraph 27 of the Petition for Cancellation consist entirely of legal conclusions to which no admission or denial is required. To the extent a response is required, Roust denies the allegations of Paragraph 27 of the Petition for Cancellation.
- 30. Roust denies the allegations of Paragraph 28 of the Petition for Cancellation.

- 31. The allegations of Paragraph 29 of the Petition for Cancellation consist entirely of legal conclusions to which no admission or denial is required. To the extent a response is required, Roust denies the allegations of Paragraph 29 of the Petition for Cancellation.
- 32. Roust denies the allegations of Paragraph 30 of the Petition for Cancellation.
- 33. Roust denies the allegations of Paragraph 31 of the Petition for Cancellation.
- 34. Roust denies the allegations of Paragraph 32 of the Petition for Cancellation for lack of information sufficient to form a belief as to the truth or falsity thereof.
- 35. Roust denies the allegations of Paragraph 33 of the Petition for Cancellation.
- 36. The allegations of Paragraph 34 of the Petition for Cancellation consist entirely of legal conclusions to which no admission or denial is required. To the extent a response is required, Roust denies the allegations of Paragraph 34 of the Petition for Cancellation.
- 37. Roust denies the allegations of Paragraph 35 of the Petition for Cancellation.
- 38. Roust admits the allegations of Paragraph 36 of the Petition for Cancellation.
- 39. The allegations of Paragraph 37 of the Petition for Cancellation consist entirely of legal conclusions to which no admission or denial is required. To the extent a response is required, Roust denies the allegations of Paragraph 37 of the Petition for Cancellation.
- 40. The allegations of Paragraph 38 of the Petition for Cancellation consist entirely of legal conclusions to which no admission or denial is required. To the extent a response is required, Roust denies the allegations of Paragraph 38 of the Petition for Cancellation.

- 41. The allegations of Paragraph 39 of the Petition for Cancellation consist entirely of legal conclusions to which no admission or denial is required. To the extent a response is required, Roust denies the allegations of Paragraph 39 of the Petition for Cancellation...
- 42. Roust denies the allegations of Paragraph 40 of the Petition for Cancellation.
- 43. Roust denies the allegations of Paragraph 41 of the Petition for Cancellation.
- 44. Roust denies the allegations of Paragraph 42 of the Petition for Cancellation for lack of information sufficient to form a belief as to the truth or falsity thereof.
- 45. Roust denies the allegations of Paragraph 43 of the Petition for Cancellation.
- 46. Roust denies the allegations of Paragraph 44 of the Petition for Cancellation, and denies that Petitioner is entitled to any relief whatsoever.
- 47. Roust denies the allegations of Paragraph 45 of the Petition for Cancellation.

#### **AFFIRMATIVE DEFENSES**

- 1. The Petition for Cancellation fails to state a claim upon which relief can be granted.
- 2. The Petition for Cancellation is precluded by the equitable doctrine of unclean hands.
- 3. The Petition for Cancellation is precluded by the equitable doctrine of laches.
- 4. The Petition for Cancellation is precluded by the equitable doctrine of estoppel.
- 5. The Petition for Cancellation is precluded by the equitable doctrines of acquiescence and waiver.
- 6. One or both Petitioners lack standing.

Respectfully submitted,

Dated: this 4th day of April, 2007

Timothy P. Fraelich

JONES DAY

North Point

901 Lakeside Avenue

Cleveland, OH 44114-1190 Telephone: (216) 586-3939 Facsimile: (216) 579-0212

Respectfully submitted,

Dated: this 4th day of April, 2007

Wendy L. Brasunas

JONES DAY

222 East 41st Street New York, NY 10017

Telephone: (212) 326-3939 Facsimile: (212) 755-7306

#### **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing Answer to Petition for Cancellation was served on this 4th day of April, 2007 via regular mail upon:

Bingham B. Leverich Neil K. Roman Marie A. Lavalleye COVINGTON & BURLING LLP 1201 Pennsylvania Avenue, NW Washington, DC 20004-2401 Telephone (202) 662-5188 Facsimile (202) 778-5188

Attorney for Applicant

# EXHIBIT C

Trademark Trial and Appeal Board Electronic Filing System. http://estta.uspto.gov

ESTTA Tracking number:

ESTTA207216

Filing date:

04/25/2008

## IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92048163
Party	Defendant Roust Trading Limited
Correspondence Address	Timothy P. Fraelich Jones day North Point, 901 Lakeside Avenue Cleveland, OH 44114 UNITED STATES tfraelich@joneday.com
Submission	Voluntary Surrender Of Registration
Filer's Name	Timothy P. Fraelich
Filer's e-mail	tfraelich@jonesday.com, wlbrasunas@jonesday.com, aegagich@jonesday.com
Signature /Timothy P. Fraelich/	
Date	04/25/2008
Attachments	DOC652.PDF ( 4 pages )(146225 bytes )

### IN THE UNITED STATES PATENT AND TRADEMARK OFFICE TRADEMARK TRIAL AND APPEAL BOARD

In the Matter of Trademark Registration No. 2,561,253
Registered: April 16, 2002
Mark: PYCCKNN CTAHDAPT ORIGINAL VODKA RUSSIAN STANDARD 1894
(plus design)

X
PERNOD RICARD USA, LLC,

Petitioner,

V.

ROUST TRADING LIMITED,

Registrant.

Commissioner for Trademarks
United States Patent and Trademark Office
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451

#### Voluntary Surrender Of Registration For Cancellation With Consent

Registrant Roust Trading Limited hereby voluntarily surrenders its Registration No. 2,561,253 for the mark PYCCKNN CTAHDAPT ORIGINAL VODKA RUSSIAN STANDARD 1894 (plus design) (the "Registration") for cancellation pursuant to Section 7(e) of the Lanham Act, 15 U.S.C. § 1057(e), as follows: The voluntary surrender of the Registration is with prejudice with respect to rum, gin, brandy, wine, and liqueur, and is without prejudice with respect to vodka.

NY1-4081311v1

### Petitioner Pernod Ricard USA, LLC expressly consents to this voluntary

surrender of the Registration for cancellation as set forth above.

Dated: April 24, 2008

Respectfully submitted,

Timothy P. Faelich

Wendy L. Brasunas

Jones Day

222 East 41 Street

New York, New York 10017

Tel: (212) 326-3939 Fax: (212) 755-7306

Attorneys for Registrant Roust Trading Limited

CONSENTED AND AGREED TO:

By:

David H Bernstein Michael Schaper S. Zev Parnass

Debevoise & Plimpton LLP

919 Third Avenue

New York, New York 10022

Tel: (212) 909-6000 Fax: (212) 909-6896

Attorneys for Petitioner Pernod Ricard USA, LLC

Int. CL: 33

Prior U.S. Cls.: 47 and 49

Reg. No. 2,561,253

United States Patent and Trademark Office

Registered Apr. 16, 2002

### TRADEMARK PRINCIPAL REGISTER



ROUST TRADING LIMITED (BERMUDA COR-PORATION) REID HOUSE 31 CHURCH STREET

31 CHURCH STREET HAMILTON, BERMUDA

FOR: ALCOHOLIC BEVERAGES, NAMELY, VOD-KA, RUM, GIN, BRANDY, WINE, AND LIQUEUR, IN CLASS 33 (U.S. CLS. 47 AND 49).

FIRST USE 4-29-2000; IN COMMERCE 4-29-2000.

NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO USE "1894", "ORIGINAL VODKA", AND

"RUSSIAN", APART FROM THE MARK AS SHOWN.

THE ENGLISH TRANSLITERATION OF THE FOREIGN CHARACTERS IN THE MARK IS "RUSS-KY STANDARD" AND THE ENGLISH TRANSLATION IS "RUSSIAN STANDARD".

SER. NO. 76-071,649, FILED 6-15-2000.

INGRID C. EULIN, EXAMINING ATTORNEY

#### **CERTIFICATE OF SERVICE**

The parties have consented to service by electronic mail.

I hereby certify that a copy of the foregoing VOLUNTARY SURRENDER OF REGISTRATION FOR CANCELLATION WITH CONSENT was served on this 25th day of April, 2008 via electronic mail upon:

szparnas@debevoise.com dhbernstein@debevoise.com mschaper@debevoise.com

Attorney for Respondent



#### **United States Patent and Trademark Office**

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#### TTABVUE. Trademark Trial and Appeal Board Inquiry System

v1.4

#### Cancellation

Number: 92047125 Filing Date: 02/20/2007 **Status Date:** 08/13/2008 **Status:** Terminated

Interlocutory Attorney: CHERYL S GOODMAN

**Defendant** 

Name: Roust Trading Limited

Correspondence: Timothy P. Fraelich

Jones Day

North Point, 901 Lakeside Avenue

Cleveland, OH 44114

tfraelich@jonesday.com, wlbrasunas@jonesday.com,

pcyngier@jonesday.com

Registration #: 2561253 **Serial #:** 76071649 Application File

Application Status: Cancelled - Section 7(D)

Mark: PYCCKNN CTAHDAPT ORIGINAL VODKA RUSSIAN STANDARD 1

**Plaintiff** 

Name: Spirits International N.V. and S.P.I. Spirits (Cyprus) Limited

Correspondence: Marie Lavalleye

Covington & Burling, LLP 1201 Pennsylvania Avenue NW

Washington, DC 20004 trademarks@cov.com

#### **Prosecution History**

# Date	History Text	Due Date
26 08/13/2008	TERMINATED	
<u>25</u> 08/13/2008	BOARD'S DECISION: GRANTED	
24 08/08/2008	PL'S OPPOSITION TO DEF'S MOTION TO DISMISS AS MOOT	
23 08/06/2008	D'S OPPOSITION/RESPONSE TO MOTION	
22 08/01/2008	P'S OPPOSITION/RESPONSE TO MOTION	
21 07/30/2008	P'S OPPOSITION/RESPONSE TO MOTION	
20 07/28/2008	DEF'S MOTION TO WITHDRAWAL VOLUNTARYY SURRENDER	
<u>19</u> 07/08/2008	EXTENSION OF TIME GRANTED	
<u>18</u> 05/27/2008	D'S MOTION FOR AN EXTENSION OF TIME	
<u>17</u> 05/01/2008	RESPONSE DUE 30 DAYS (DUE DATE)	05/31/2008
16 04/25/2008	VOLUNTARY SURRENDER	
<u>15</u> 03/12/2008	SUSPENDED PENDING DISP OF CIVIL ACTION	
<u>14</u> 02/11/2008	PL'S PETITION DENIED	

Results as of 12/22/2008 04:17 PM Back to search results Search:			
1	02/20/2007	FILED AND FEE	
<u>2</u>	02/27/2007	NOTICE AND TRIAL DATES SENT; ANSWER DUE: 04/0	8/2007
3	02/27/2007	PENDING, INSTITUTED	
4	02/28/2007	P'S MOTION FOR SUMMARY JUDGMENT	
<u>5</u>	03/14/2007	SUSPENDED PENDING DISP OF OUTSTNDNG MOT	
<u>6</u>	04/04/2007	CHANGE OF CORRESPONDENCE ADDRESS	
<u>7</u>	04/04/2007	ANSWER	
8	04/05/2007	D'S MOT TO SUSP PEND DISP CIV ACTION	
9	04/09/2007	P'S OPPOSITION/RESPONSE TO MOTION	
<u>10</u>	04/13/2007	D'S REPLY IN SUPPORT OF MOTION	
<u>11</u>	07/27/2007	SUSPENDED PENDING DISP OF CIVIL ACTION	
12	08/27/2007	PL'S PETITION TO DIRECTOR	
13	09/14/2007	D'S OPPOSITION/RESPONSE TO MOTION	

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## EXHIBIT D

UNITED STATES PATENT AND TRADEMARK OFFICE Trademark Trial and Appeal Board P.O. Box 1451 Alexandria, VA 22313-1451

ac

Mailed: May 1, 2008

Cancellation No. 92047125

Spirits International N.V. and S.P.I. Spirits (Cyprus) Limited

v.

Roust Trading Limited

Cheryl Goodman, Interlocutory Attorney:

Respondent, on April 25, 2008, filed a voluntary surrender under Section 7(e) of the Trademark Act of the subject registration of this proceeding, Registration No. 2561253. However, the voluntary surrender was filed in Cancellation No. 92048163, a related Board proceeding also involving Registration No. 2561253.

Trademark Rule 2.134(a) provides that if the respondent in a cancellation proceeding applies to cancel its involved registration under Section 7(e) without the written consent of every adverse party to the proceeding, judgment shall be entered against respondent.

<sup>&</sup>lt;sup>1</sup> As stated above, Registration No. 2561253 is also the subject of Cancellation No. 92048163 in which the Cancellation has been dismissed without prejudice.

Cancellation No. 92047125

In view thereof, respondent is allowed until THIRTY DAYS from the mailing date of this order to obtain the written consent of petitioner to the voluntary surrender of Registration No. 2561253, failing which, judgment will be entered against respondent, the petition to cancel is granted, and Registration No. 2561253 will be cancelled.

# EXHIBIT E

U. S. DEPARTMENT OF COMMERCE PATENT AND TRADEMARK OFFICE

Pernod Ricard USA, LLC

v.

Roust Trading Limited

Cancellation No. 92048163

David H. Bernstein, Esq. of Debevoise & Plimpton LLP for Pernod Ricard USA, LLC.

Timothy P. Fraelich of Jones Day for Roust Trading Limited.

Whereas, Pernod Ricard USA, LLC petitioned for cancellation of Registration No. 2561253, issued April 16, 2002, to Roust Trading Limited; and

Whereas, Roust Trading Limited has filed application for cancellation under Section 7(e) of the Trademark Act of 1946, with the consent of petitioner;

It is ordered that Registration No. 2561253 be, and it is hereby, cancelled.

Lynne G. Beresford

Commissioner for Trademarks

Lynne B. Buerford

# EXHIBIT F

UNITED STATES PATENT AND TRADEMARK OFFICE Trademark Trial and Appeal Board P.O. Box 1451 Alexandria, VA 22313-1451

csg

Mailed: August 13, 2008

Cancellation No. 92047125

Spirits International N.V. and

S.P.I. Spirits (Cyprus)
Limited

v.

Roust Trading Limited

#### By the Board:

On July 8, 2008, the Board granted respondent's motion to extend time to obtain petitioner's written consent to its voluntary surrender<sup>1</sup>, failing which judgment would be entered against it. On July 28, 2008, respondent filed a motion to withdraw its voluntary surrender due to its inability to obtain the consent of petitioner.

Petitioner opposed the motion to withdraw the voluntary surrender arguing that the withdrawal of the voluntary surrender is "of no effect" because "the registration no longer exists" having been cancelled by Commissioner's order on May 28, 2008 in connection with the voluntary surrender in the related cancellation proceeding. Petitioner seeks for judgment to be entered against respondent in this proceeding in accordance with the Board's order.

#### Cancellation No. 92047125

In response, respondent concedes petitioner's arguments and moves to dismiss the proceeding as moot.

Petitioner has opposed dismissal of this proceeding as moot arguing that "the fact that the registration has been cancelled does not render the proceeding moot" and judgment should be entered against respondent due to its failure to obtain petitioner's written consent to the surrender.

The subsequent cancellation of the registration resulting from its consented voluntary surrender in related Cancellation No. 92048163 does not allow respondent to moot the proceeding and avoid judgment herein. Cf. In re Checkers of North America Inc., 23 USPQ2d 1451 (Comm'r 1992), aff'd sub nom., Checkers Drive-In Restaurants, Inc. v. Commissioner of Patents and Trademarks, 51 F.3d 1078, 34 USPQ2d 1574 (D.C. Cir. 1995) (petitioner should not be deprived of a judgment in its favor by a respondent who lets its registration lapse during a cancellation proceeding). As the Board advised previously, Trademark Rule 2.134(a) provides that if the respondent in a cancellation proceeding applies to cancel its involved registration under Section 7(e) without the written consent of every adverse party to the proceeding, judgment shall be entered against respondent.

<sup>1</sup> Filed in related cancellation proceeding no. 92048163.

#### Cancellation No. 92047125

In view thereof, and because petitioner's written consent to the voluntary surrender is not of record, judgment is hereby entered against respondent, the petition to cancel is granted, and Registration No. 2561253 stands cancelled.

### IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

SPIRITS INTERNATIONAL B.V. (formerly Spirits International N.V.) and S.P.I. SPIRITS (CYPRUS) LIMITED	) ) )
Petitioners, v.	) Cancellation No.: 92050154 ) Registration No. 3,345,092 )
ROUST TRADING LIMITED,	)
Applicant.	) ) )

#### **CERTIFICATE OF SERVICE**

I hereby certify that true copies of Petitioners' Motion for Summary Judgment and For Suspension of Further Proceedings, Memorandum in Support thereof, and Declaration of Marie A. Lavalleye were sent via first class mail, postage pre-paid on this 2d day of January, 2009 to Counsel of Record for Roust Trading Limited:

Timothy P. Fraelich Jones Day North Point 901 Lakeside Avenue Cleveland, Ohio 44114-1190

Carrie L. Kiedrowski Jones Day 1420 Peachtree Street, N.E., Ste. 800 Atlanta, Georgia 30309-3053

Hope Hamilton